

## Module 3: Leveraging, Partnerships & Initiatives

### Learning Activity

#### Activity #2 – Information Quest

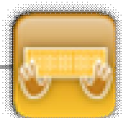


During this module you have studied the various ways the Single Family Housing Program uses leveraging, partnerships and initiatives to support bringing the home-ownership experience to low-income rural Americans. This exercise involves you in sorting through some of the details related to this important topic. You will use the Rural Development Employee Portal to locate information that answers a series of questions. The goal is to further familiarize you with the various resources available regarding the topics discussed in this module. For more information download the learning activity by clicking on the button provided below.

**Activity #2 Instructions:** Complete the following questions using the links available in the Rural Development Employee Portal. You may find it useful to utilize the Navigating Resources Reference from this module to assist you as you locate the appropriate resources.

#### Information Quest Questions

1. **Which of the following is not an advantage of leveraged loans:**
  - a. Agency can assist more borrowers
  - b. Borrower can establish relationship with a private lender
  - c. Agency loss exposure is reduced
2. **Which of the following qualifies as a source of leveraged funds:**
  - a. a. First mortgage from private sector lender
  - b. b. Down payment assistance funds from State Housing Agency
  - c. c. Down payment gift from parents
  - d. d. Land already owned by applicant
3. **True or False. To encourage participation by other lenders, the Agency generally will subordinate its lien position even when the Agency provides the majority of the funds.**
4. **True or False. A loan underwritten by a leveraged partner does not need to be re-underwritten by the Agency.**
5. **True or False. Leveraged loans can only be originated by the Agency; other lenders or partners cannot originate a leveraged loan.**
6. **Low –income applicants should attempt to obtain private financing for at least \_\_\_\_\_percent of the loan.**
7. **A Certificate of Eligibility for a leveraged loan is valid for \_\_\_\_\_ days.**
8. **Leveraged lenders are expected to charge fees that are \_\_\_\_\_ and \_\_\_\_\_.**
9. **Leveraged loans must be amortized for a \_\_\_\_ year period.**



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10. True or False. Leveraged loans may contain a balloon payment at the end of the 15th year.
  
11. An eligible leveraged loan that is amortized for \_\_\_\_\_ years and has an interest rate that does not exceed \_\_\_\_\_ percent will be included in the payment subsidy calculation.

